

Application Process:

Submit a completed and executed HIP Application along with all supporting documentation to the Housing Programs Administrator (by appointment only) at:

Upland City Hall,
460 N. Euclid Ave.
Upland, CA 91785
(909) 931-4300.

If the application is preapproved, the City will add the property owner's name to the project eligibility list and begin the loan underwriting process. At the initial meeting, Program staff will apprise the Applicant of their anticipated wait time for assistance.

Project Management Services:

Program staff will facilitate the following project management services:

1. Review the property and prepare the Work Description and Bid Proposal Form;
2. Provide the Applicant program bid packets and Contractor's List for bid solicitation. Applicant is responsible for securing a minimum of three bids from general B-licensed contractors of their choosing. If the Applicant is seeking assistance for two construction trades (i.e. roof and windows only) or less, then C-licensed specialty contractors may provide bids to the Applicant. The City, at its discretion, may waive this bidding requirement.
3. Prepare loan documents and construction contract.
4. Provide construction management oversight services until project is completed.

Rev. 06/01/2023



City of Upland Development Services Department
460 N. Euclid Ave
P.O. Box 460
Upland, California 91786-0460

CITY OF UPLAND
DEVELOPMENT SERVICES DEPARTMENT

HOME IMPROVEMENT PROGRAM



TEL: 909-931-4300

GENERAL INFORMATION

The City of Upland Housing Improvement Program (HIP) provides deferred low or no interest loans of up to a maximum of \$90,000 for rehabilitation work to single-family owner-occupied homes located within city limits. This program targets lower income homeowners who are in need of housing repairs and cannot otherwise secure conventional funding to make said repairs. The funding for this program comes from various sources including the State's Housing and Community Development Department, the U.S. Department of Housing and Urban Development and Upland Development Services Department. Funding is available on a first come, first serve basis, subject to annual appropriation caps.

Applicant Criteria:

Eligible Applicants must be the owner-occupants of a single-family home whose combined household's family income cannot exceed 80% of the San Bernardino County median income, adjusted by family size. Adjustments to the limits occurs annually. The following table outlines the adjusted maximum income eligibility limits for 2023

<u>Family Size</u>	<u>Annual Income</u>
1	\$52,200
2	\$59,650
3	\$67,100
4	\$74,550
5	\$80,550
6	\$86,500
7	\$92,450
8	\$98,450

Source: California Dept. of Housing and Community Development (HCD) **Eff. 06/01/2023**

HIP Loan Conditions:

- HIP Loans are available up to \$90,000;
- HIP Loan interest rates are set at 0% or 3% simple interest and deferred for 30-years or the first occurrence of sale, refinance, change in title or ceases being principal place of residence.
- HIP Loans may be subordinated on a case-by-case basis, if the Applicant is seeking to make their mortgage payment more affordable by refinancing with "No-Cash-Out." In the event the Applicant refinances and the refinancing returns money to the Applicant, the proceeds must be used to reduce the City loan principle.
- HIP Loans will only be made to properties that have a maximum 95% Loan-to-Value ratio after all encumbrances (including City loan) are calculated on the property. Property after rehabilitation value may not exceed the County's 203(b) limits.
- HIP Loan Applicants must have clear fee simple title, occupy the property as their principal place of residence, have good credit history and be current on property taxes.
- HIP Loans are evidenced by an executed promissory note and recorded deed of trust on real property.
- HIP Loans may only be subordinate to an existing first or second deeds of trusts.
- HIP Loans will not be made to mobile homes.
- HIP Loans may be repaid at any time without penalty.
- HIP Loan fees include: property appraisal, title insurance, credit reports, tax service,

and recording fees. These loan fees are paid directly by City not the Applicant.

Rates and Terms:

HIP Loans may be either deferred at 0% or 3% interest. Household income alone is the determining factor for qualifying interest rate based on the San Bernardino County median income scale.

<u>Household Income</u>	<u>Interest Rate</u>	<u>Loan Terms</u>
50% or less	0%	Deferred for 30 yrs
51% to 80%	3%	Deferred for 30 yrs

Green Tier Option:

HIP Loans will top out at \$75,000, however, a Green Tier Option exists within the program for those Applicants seeking to meet or exceed Green Building Standards. This option provides an additional \$15,000 in loan funds to assist the Applicant make energy efficient and environmentally responsible home repairs.

Eligible Improvements:

The City determines the scope of work and nature of the materials used. All appurtenances must be of "modest quality" as determined by the Program staff.

Eligible Construction Items

- Site work (foundation and drainage);
- Code violations;
- Roofing, insulation and plumbing;
- Cabinets, countertops and flooring;
- Electric, cooling, heating and painting;
- Windows, doors and garage doors;
- Access improvements for the disabled;
- Rodent, pest extermination and repairs;
- Health and safety and any other improvement deemed eligible by the Program staff.